



# ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 North Grand Avenue East, P.O. Box 19276, Springfield, Illinois 62794-9276

Mary A. Gade, Director

217/785-3912

Refer to: L1630200005 -- St. Clair County  
Sauget Area 1 Sites - Sauget  
Superfund/Technical Reports

October 28, 1997

Ms. Leslie Kirby  
Office of Regional Counsel  
USEPA Region V, C-29A  
77 West Jackson Boulevard  
Chicago, Illinois 60604-3590

Dear Leslie:

I was finally able to get the information on Clayton Chemical that I promised after our meeting three weeks ago. The attached documents come from a RCRA Part B permit application that the Clayton Chemical Company submitted to Illinois EPA in the late 1980s. Although the application was denied in September of 1991, the application package contained information on off-site contaminant releases. The "Clayton Chemical facility" is not currently associated with any Area 2 site, however the disposal area that is mentioned as being located south of facility property ("Pit #3" of the Bud Haney testimony) is generally recognized as "Site S" of the Sauget Area 2 Sites.

There is a reference at the top of the Bud Haney testimony stating that Clayton Chemical used the "Sauget Landfill" (a.k.a. Site Q) for the disposal of its still-bottom sludges for a period of eleven years prior to the closing of Site Q after the 1973 flood. Mr. Haney was a former employee of Clayton Chemical.

The company has since been sold to another party who renamed the company "Resource Recovery Group". I'm not sure why certain portions of the attached documents were redacted although I would surmise that Clayton Chemical redacted parts of their submittals that revealed the identity of their clients. Please feel free to call if you have questions or concerns.

Yours Truly,

A handwritten signature in black ink, appearing to read "Paul E. Takács".

Paul E. Takács, Project Manager  
National Priorities Unit  
Division of Remediation Management  
Bureau of Land

Attachments

cc: Leah Evison, USEPA  
Terry Ayers  
Division File

**RECEIVED**

OCT 31 1997

U.S. E.A., region 5  
Office of Regional Counsel

COMPREHENSIVE ENVIRONMENTAL REPORT  
CLAYTON CHEMICAL CO.  
SAUGET PLANT SITE  
3/14/84

Clayton Chemical Co. Sauget Plant site is legally described as "7.35 acres approximately 349.7' x 915.83', in Lot 304, Cahokia Commons, T. 2 N., R. 10 W., 3rd P.M., St. Clair County, Illinois," This general area was utilized from 1930 to 1962 as a railroad repair yard complete with roundhouse and terminal.

Operations regarding disposal of wastes generated from servicing locomotives and rail cars and possibly tankers is not known. With a lack of any regulatory guidelines it can be assumed that washing/servicing/ repair of locomotives generated wastes that were not sewered, <sup>MAY HAVE BEEN</sup> ~~but~~ spread to the area or grounds or otherwise disposed of on-site. (See copy of "Tolson" Plot Plan)

Types of wastes that may have been generated and disposed <sup>of</sup> on-site are, off-spec or contaminated fuels used lubricating oil, waste wash water, . . .

Additionally it is reasonable to assume that tank car and box car washing and repair occurred at the site. Various types of wastes and/or products may have been spilled or flushed on the ground or removed from sewer traps in light of the lack of concern for environmental matters at the time.

In 1962 Joseph Reidy began operating a crude oil topping plant on the site.

Products derived from the crude oil included white gas, distillate fuel oils, and residual bottoms material.

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According to Bob Stokes, an employee from approximately 1966 to 1969, oil tank bottoms were dumped on the ground in the area of present tank number 15. Large volumes of "white gas" was also disposed of intentionally on the ground and in pits.

Feed stock for the plant came primarily from oil fields near Waterloo, Ill. "Wash oil" from Monsanto with 2% sulfuric acid was also accepted.

Used oil, according to Russell Bliss, was first accepted on the site in the "late 60's". The material was utilized in fuel blending. It is known that tank bottoms (H<sub>2</sub>O and sediments) were drained on the ground from tanks primarily in the area of the present horizontal tanks that were constructed in 1965. (Wyatt), <sup>installed</sup> Ronnie

There was also a 100,000 gal. used oil storage tank located just west of the present WWTP office building. Bliss Waste Oil would unload into this tank, allow BS&W to settle, drain water off onto the ground, then transfer oil to Clayton Chemical as needed.\* (There was a major oil release at one time from this tank in the early 70's.)

The mid 1960's is when solvent reclamation began at Clayton Chemical.

Shortly after inception to 1978, "steam stripping" was the predominant form of processing solvents for recycling. Steam stripping resulted in water laden still bottoms requiring disposal.

[REDACTED]

[REDACTED]

\* There was a 2" ground pip 'is from this tank to CCC site - most of it is still in the ground. 1-18-86 RBY

[REDACTED]

Because of no knowledge of an EPA and lack of profits from the recycling process we could not afford having this waste removed by a disposal company like [REDACTED]

Permission was verbally received from Paul Sauget, Mayor of Sauget, Illinois, to dig a pit(s) south of the plant for "still bottom" disposal. At the time, Mr. Sauget was "leasing" this property for farming (raised wheat crop). At that point in time C.C.C. assumed Mr. Sauget had complete authority regarding the property and for all village decisions.

Mr. Sauget had his bulldozer dig C.C.C. a pit for the purpose of waste disposal and had C.C.C. pay the equipment operator direct for this service -- we assumed this to be a favor to C.C.C. in keeping the cost down.

C.C.C. used this system of disposal for approximately two years, during which time the waste water treatment plant began to use it to dispose of "rock dust" which was contaminated with yellow material, paper bags, and other plastic

and wood materials. There was no cost to them -- from C.C.C. anyway. The treatment plant disposal volume was only a few truck loads.

Others dumped materials uncontrolled on week-ends, but who WAS never discovered. Disposal at this site was never considered a secret operation as there was no reason for it.

As time progressed and knowledge of an EPA<sup>WAS</sup> slowly gained, C.C.C. began to understand the errors of judgement relating to this disposal method.

Business activities and profits were increasing for C.C.C. and [REDACTED] were retained to supply containers and disposal for the "still bottoms" generated by our plant.

Stabilization of the "pit" material began using fly ash supplied by Paul Sauget at no cost, local sand and rock were obtained from Columbia Quarrys. This work progressed slowly over two to three years and was handled in two phases.

Step one was done to effectively cover the pit and solidify a cap over the area, Step or phase two was dictated by the "Village" of Sauget approximately a year after step one.

Phase two was precipitated by several factors. \* see page 8

During most of 1979 and until November 1980, still bottoms (now from thin film evaporator) were routed to

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Currently, still bottoms are incinerated in a fuel program through [REDACTED]

Various processes in solvent recycling can generate a waste water requiring disposal (ie H<sub>2</sub>O drained from finished product containing approximately 5% solvent, or H<sub>2</sub>O generated from "water washing" soluble components out of non H<sub>2</sub>O soluble components.)

Primary form of water disposal was by draining it onto the ground until, in September 1980, a sewer outlet was provided to the existing WWTP.

Since that time and until the present non-contact condensor cooling water and water contaminated with solvent/oil has been sewered for treatment at the WWTP, which is not permitted by EPA at present.

Another source of contaminated water is rain runoff that flows into and over areas where contamination had been previously created. The most pronounced problem of this nature is where runoff flows through the "central plant" drainageway located at, and perpendicular to, the north end of the horizontal oil storage tanks (11,12,13,14). Other areas where pigments and wastes were allowed to fall on the ground have contacted rain runoff.

One area where draining of water caused an isolated particular problem; Bliss Waste Oil was utilizing 4 tanks on Clayton property near the northeast corner of the site. Adjacent to those tanks, an underground tank was emplaced to receive water drained from the Bliss tanks. This operation ultimately resulted in cleanup activities to be discussed later.

Another potential area of water contamination of unknown significance is the runoff and "blackrain/runoff" from the area of TWI while on Clayton's site. We know contamination occurred but don't know what or how much, except by one IEPA test.

Ground water contamination exists under the Clayton Plant Site. Much more investigation is needed to determine the exact source of contamination.

During pre-sales investigations between Mr. Reidy and ILWD Inc. tests conducted by ILWD indicated possible PCB contamination in some areas of the plant and well water contamination. Also an IEPA well water test has been done, which tends to confirm water contamination. Water table contamination is known to be somewhat of an area problem.

Given the large amount of land disposal and surface impoundments, lack of environmental concerns, porosity of soil, and proximity of the Mississippi River in the Great American Bottoms one can assume that ground water contamination from a variety of materials is very widespread in this area.

The nature and degree of air emissions from Clayton Chemical are not well documented. Solvents and oils have been stored on site for at least 20 years in an average tank size of 20,000 gallons.



\* Phase Two disposal pit cleanup

See attached letter from Harold Baker, July 23, 1979, and a proposed letter by Bud Haney, which was not sent.

Shortly after the letter of the 23rd, Mr. Reidy and Mr. Haney met with Mr. Paul Sauget, there was an agreement reached that Mr. Sauget would suggest no action be taken by the village, and CCC would cover the dump site and not continue its use. (We had not used this area for disposal for sometime, 1975, and had begun covering it over the last two years step by step.)

CCC informed Mr. Sauget that:

- 1) He, as Mayor, and therefore the Village, knew of this site and in fact considered it as part of his landfill operations, not CCC's.
- 2) He supplied the equipment and manpower to establish the site and by his decision had not charged CCC for its use.
- 3) That the Village water treatment association had also used it for disposal.
- 4) The property was under his control at the time, (which we found to be leased to him at the time) and that part of this area was ICG railroad property. This ICG property has since been purchased by TWI and in turn to Waste Management Inc. (which CCC has a no fault agreement with) The property leased by Mr. Sauget was purchased by the Village. Part of this property was then purchased by CCC and by the new regional waste water treatment plant now under construction.

Because of the new treatment plant (\$100,000,000 project funded by government bonds) Mr. Frank Basle, a Monsanto engineer, verbally instructed CCC and then inspected the work in process to:

- 1) Dig up the waste material and move it to CCC's new property purchased from the Village.
- 2) Cover areas off the Village property (ICG property) with soil 6" deep and sow grass on it.

During this work Mr. Basle was afraid the "cover up" was going to be discovered and asked that CCC dig out where the new fence line was going to go -- which he had his people lay out and CCC was to place clean soil in this L shaped area and to leave the rest of the waste in the ground. This was against CCC's will.

On completion of this work, Mr. Basle okayed this work.

Mr. F. Basle would only talk to Ed and I outside -- he would not go in our office. Employees of CCC were aware of the operation and knew of Mr. Basle's work inspection of the site as it progressed.

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Off-Site disposal, south of the leased CCC plant property.

Expansion of information on pages 4.5.8 & 9 of the Comprehensive Environmental Report 3/14/84.

EM 4/20/84 1972-1974 '73

Around 1973-74 CCC was in need of an alternative disposal site for its "wet" still bottoms generated from the solvent recovery operations. Having used the Sauget landfill presumably for about eleven years, Mr. Reidy indicated that the cost of having a disposal company come in and haul this material to a landfill was prohibitively high considering what we had been used to paying and the profits generated by the business at the time.

[REDACTED]

I contacted Mr. Paul Sauget to ask permission to use some of his property to try spreading some still bottoms for drying. His first reply was "Hell no." Then, without additional comment came, "Alright, you will probably do it anyway." He had previously given me permission to fence in an area (about 30' X 80') to keep a couple of my horses in this area. Which I did for about three years including the time period of disposal operations.

Mr. Sauget arranged to have a "bulldozer" dig a pit approximately 50' X 100' and a foot in depth in the sandy soil. Still bottoms were allowed to spread out in this area, but, "drying" did not occur for all practical purposes. CCC continued to add material until the area of the pit was full (approximately 35,000 gals.).

Mr. Sauget was consulted and he had another pit dug, which he asked for a case of whiskey and that we pay the operator.

[REDACTED]

This pit was approximately the same size directly to the south of our plant property but and approximately four feet in depth. This pit would contain about 150,000 gallons and was used until full.

A third pit was dug to the south of the first two and south of the horse area, which was 100' X 300' and 4' in depth to contain about 860,000 gallons. (3 pit total of 1,045,000 gals.) This amount appears excessive considering production at the time and the belief that this was a two year period of time that the pits were used. *HOW MUCH EVAPORATED?*

This whole situation as it has developed was incredibly naive in concept and fact. Believing that the mayor had total power and authority over all matters in the city was a false assumption, although all knowledge of his presence in the village, control and operating methods would lead me to believe this to be true at the time. *Don't*

We believed this area was nothing more than an extension of his landfill operations directly west of this area separated by the river levee. Although too good to be true--we never received any billing for the use of this service. This would not have been inconsistent with Mr. Sauget

had said that he was in the landfill business to help the local industries.

During this time CCC's plant was basically unfenced and there was no gate into the plant site. The plant operated eight hours a day, five days per week. It was not uncommon to find that loads of material had been dumped in or at the pit location when returning to work. Brush, tires, roofing and other general refuse were common.

The village industrial waste water treatment plant also used this pit for disposal of contaminated lime, plastic, wood, bags, etc. by the truck load for a short period of time which I assume was without charge to them.

Sometime after the pits were full and CCC was now using the services of a disposal company to remove and landfill our still bottoms we began to sense the problems of this past disposal.

We became aware that there was an IEPA and that they were the reason that we could not continue the use of the landfill on the west side of the levee. Also that the property of the pits was leased by Mr. Sauget from an estate, not owned by him, and that part of the pit area was on GM&O railroad property.

Contacting Mr. Sauget, he agreed to supply cinders and fly ash that was available from Monsanto to cover these pits. This was at no cost to CCC although our desire to cover these pits was becoming more apparent and did get front loading equipment in from time to time to push the loads into and over the waste materials at our expense.

Considerable time and effort was required to stabilize and cover the two pits nearest the plant property, as the bottoms were still mobile and took some time and effort to slowly get cover over these areas.

Covering the largest and most southern pit was very time consuming, costly, and a laborous task. At times there was no ash available from Mr. Sauget, at which time CCC purchased some off-grade stone for fill. Considerable problems of material movement caused delays in stabilizing areas within the pit before the equipment could be used to cover additional areas and breaching of the pit was hard to avoid.

Pressure from Mr. Sauget and the city attorney, Harold Baker, starting with his letter on July 23, 1979, undoubtedly increased the "final" coverage of this site as this activity was now backed by Mr. Reidy's agreement to expend the necessary funding, which had not been the case in the past.

We believe that the village/Monsanto/Sauget became fully involved at the time they sent this letter and subsequent direction and control of this cover up/land sale made for the disposal area. Mr. Frank Basle was an employee of Monsanto Company during this time to the best of my knowledge.

CCC was told what we must do, to what degree, when, where and demanded the stopping point even though not complete in our opinion. Requirements included the cover material, the seeding and fertilizing of it. Also tied to this work and the "completion" was the price and amount of land that the village of Sauget would sell to CCC.

DIDNT MIKE FORESMAN START THIS THING AND BASLE  
FINISH IT?

The sale of property to CCC was limited to approximately 2.3 acres rather than the four requested by CCC. This 2.3 acres included pit #2 of the second pit dug. If they had sold the 4 acres requested both pits #1 would have become part of CCC's property. As it is today, pit #2 is substantially under our present drum storage dock. Pit #1 is intact on Village of Sauget property, which they called the DMZ area, and pit #3 is stabilized and spread on some of the DMZ area (This was not as first requested by Frank Brasle, but he later ordered this as a way of getting the area "closed" fast because it might be reported by someone to the EPA).

All of the conversations with Mr. Sauger and Mr. Basle that had anything to do with this "project" and the agreements were verbal and outside. Mr. Basle directly requested that they must be done outside away from other people. I reported the full conversations at once to all employees, mostly with Mr. Ron Entrup who worked under me and was "plant manager" and part owner of CCC at the time.

Effectively all CCC employees knew about what was going on and can attest, I believe, to Mr. Basle checking on and, inspecting and giving directions during the work in progress and had the final say over the project.

Part is now on Trade Waste Incineration's (now Waste Management Inc.) property. CCC has an agreement with TWI not to litigate each other. At the time it was owned by the railroad.

Also some of the stabilized material was used on the to be purchased land as fill, as required by the verbal agreement with the "Village". A portion of the purchased area has been filled (approximately 2 feet average) with cinders from Monsanto via Sauget. This area was a low "swamp" which collected the run off from CCC and leakage from the waste water treatment plant's lagoons for many years.

Bud R. Haney  
02/03/86

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BAKER & SCRIVNER

ATTORNEYS-AT-LAW

July 23, 1979

Clayton Chemical Company  
Sauget, Illinois 62206

Attn: Mr. Haney

Dear Sirs:

I am the Village Attorney for the Village of Sauget.

Within the last two(2) weeks, the Village has learned that, without its permission or consent, you have:

A. dug a drainage ditch to drain the property you leased from the Railroad onto Village lands lying to the south; and

B. used Village lands even further south to dump chemicals and other wastes.

In addition, you have requested Keeley Brothers Contracting Company to spread the chemical and other wastes over other lands owned by the Village.

We are willing to discuss the drainage problem with you. However, unless and until a mutually agreeable solution is effected, you shall cease draining your property onto Village land. (In fact, we have directed our contractor to erect a dam at the Village's north property line to stop such drainage.)

Also, you shall immediately cease dumping of any wastes upon Village lands and you shall also commence removing what is already there, continuing such removal diligently to its completion.

It is not our present intention to charge you any rent or damages if you comply with these demands, but our final decision in such respect will not be made until all wastes have been removed and we can determine what permanent damage, if any, has been caused by you.

You must realize that you are in violation of Illinois EPA regulations.

Very truly yours,

  
HAROLD G. BAKER, JR.

HGBjr/ccb

cc: Mayor Sauget  
Keeley Bros. Contracting Co.  
Mike Foresman  
Steve Smith